Resolution No.: 17-1274

Introduced:

October 28, 2014

Adopted:

November 25, 2014

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: County Council

SUBJECT: Disapproval of Declaration of No Further Need: Disposition of Space in New Silver Spring Library (Proposed Lease to Pyramid Atlantic)

Background

- 1. Montgomery County Code §11B-45 requires the Council to approve a Declaration of No Further Need before the County Executive can dispose of real property that has more than nominal value. Prior to seeking Council approval of a Declaration of No Further Need, the Executive must:
 - (a) submit all material terms of the proposed disposition and any appraisal the Executive relied on in setting the property's market value to the Council; and
 - (b) publish a declaration in the County Register and post a notice on the County website that the County has no further need for the property.

The Council must act on the Declaration of No Further Need within 60 days of receiving the Declaration or it is automatically approved. The Council may extend the 60-day deadline by resolution if the Council President has informed the Executive, within 30 days of receiving the proposed action, that the Council has not received all information necessary to review the proposed action.

- 2. On October 7, 2013 the Executive submitted a summary of the material terms for the disposition of County-owned space within the new Silver Spring Library. The Executive recommends that the space be leased to Pyramid Atlantic for an initial term of five years with three additional five-year terms. A joint meeting of the Council's Health and Human Services and Government Operations and Fiscal Policy Committees was held on October 10, 2013 to review the material terms. On October 30, 2013 the Council sent comments and questions to the Executive regarding the material terms of the lease.
- 3. On March 25, 2014 the Council received Executive Order 53-14, Disposition of space through lease agreement in the new Silver Spring Library, intersection of Wayne Avenue and Fenton Street, Silver Spring, Maryland. A joint meeting of the Council's Health and Human Services and Government Operations and Fiscal Policy Committee was held on April 3, 2013 to review the Declaration and the Executive's March 25, 2014 responses to the Council's questions. The joint Committee recommended that the Council extend the time for action on the Executive's Declaration of No Further Need.

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4. On April 8, 2014, the Council adopted Resolution No. 17-1053, Extend the Time for Council Action for Approval of Declaration of No Further Need: Disposition of Space in New Silver Spring Library (Proposed Lease to Pyramid Atlantic), which extended the time for action to July 25, 2014. On July 22, 2014, the Council adopted Resolution 17-1174, which extended the time for action to December 31, 2014. The Council requested additional information on the valuation of programs and services to be provided by Pyramid Atlantic, how these programs and services benefit Montgomery County residents, expected participation in these programs and services by Montgomery County residents, and the County's cost to purchase the Pyramid Atlantic property necessary for the programmed improvements to Ripley Street.

- 5. On October 8, 2014, the Council received a memo from the Assistant Chief Administrative Officer saying that Executive staff entered into negotiations for the right-of-way on Pyramid Atlantic's property needed for planned improvements to Ripley Street. Negotiations with the Contract Purchaser were concluded as unsuccessful as the Contract Purchaser's valuation exceeded the price assessed by the County appraisal. The Executive has determined that an alternative project can be implemented for Ripley Street that does not require additional right-of-way. The Executive recommends approval of the Declaration of No Further Need.
- 6. On October 13, 2014, the joint Health and Human Services Committee and Government Operations and Fiscal Policy Committee held a worksession and was briefed on the revised project for Ripley Street. The joint Committee recommended that an amendment to the Capital Improvements Program be introduced so that a public hearing may be held on November 25, 2014. The joint Committee also recommended that a public hearing on the Declaration of No Further Need be held on November 25, 2014.
- 7. On November 24, 2014 the Council President received a copy of an e-mail from Pyramid Atlantic to the County Executive withdrawing from further consideration to reside in the new Silver Spring Library.
- 8. A public hearing was held on November 25, 2014.

Action

The County Council for Montgomery County, Maryland approved the following resolution:

The Declaration of No Further Need contained in Executive Order 53-14, Disposition of space through lease agreement in the new Silver Spring Library, intersection of Wayne Avenue and Fenton Street, Silver Spring Maryland, is disapproved.

This is a correct copy of Council action.

Linda M. Lauer

Linda M. Lauer, Clerk of the Council